



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 30, 2014

MEMORANDUM

To: The Commission

Through: Alec Palmer *for PCO*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Thomas E. Hintermister *for PCO*
Assistant Staff Director
Audit Division

Kendrick Smith *[Signature]*
Audit Manager

for Zuzana Pacious *[Signature]*
Audit Manager

By: *for* Tesfai Asmamaw *[Signature]*
Lead Auditor

Subject: Audit Division Recommendation Memorandum on the 2012 Tampa Bay
Host Committee, Inc. (TBH)

Pursuant to Commission Directive No. 70 (FEC Directive on Processing Audit Reports), the Audit staff presents its recommendation below and discusses the finding in the attached Draft Final Audit Report (DFAR). The Office of General Counsel has reviewed this memorandum and concurs with the recommendation.

Finding-No Material Non-Compliance

In response to the Preliminary Audit Report, TBH stated that, in order to expedite the processing of the final audit report, it has waived both the standard response period and an audit hearing on this matter. TBH did not have any additional comments in its response to the DFAR.

The Audit staff recommends that the Commission find that no material non-compliance was discovered in the audit of TBH.

If this memorandum is approved, a Proposed Final Audit Report will be prepared within 30 days of the Commission's vote.

In case of an objection, Directive No. 70 states that the Audit Division Recommendation Memorandum will be placed on the next regularly scheduled open session agenda.

Documents related to this audit report can be viewed in the Voting Ballot Matters folder. Should you have any questions, please contact Tesfai Asmamaw or Kendrick Smith at 694-1200.

Attachment:

- **Draft Final Audit Report of the Audit Division on the 2012 Tampa Bay Host Committee, Inc.**

cc: Office of General Counsel



Draft Final Audit Report of the Audit Division on the 2012 Tampa Bay Host Committee, Inc. May 6, 2010 – December 31, 2012

Why the Audit Was Done

The Commission audits each host committee or municipal fund that represents a city where a publicly financed nominating convention was held. The audit seeks to determine whether the committee has materially complied with the prohibitions and disclosure requirements of the election law.¹

About the Committee (p. 2)

The 2012 Tampa Bay Host Committee, Inc. headquartered in Tampa, Florida, is the committee responsible for hosting the 2012 Republican National Convention. For more information, see the chart on the Committee Organization, p. 2.

Financial Activity (p. 2)

• Receipts		
○ Contributions to Deputy Convention Expenses		\$ 55,610,032
○ Refunds, Rebates, Returns of Deposits Relating to Convention Expenses		796,575
○ Other Receipts		637,649
Total Receipts		\$ 57,044,256
• Disbursements		
○ Convention Expenses		\$ 53,164,445
○ Other Disbursements		57,418
Total Disbursements		\$ 53,221,863

Finding (p. 3)

Based upon our examination of the reports and statements filed and the records presented by the 2012 Tampa Bay Host Committee, Inc., no material non-compliance was discovered.

¹ 11 CFR §9008.54.

Draft Final Audit Report of the Audit Division on the 2012 Tampa Bay Host Committee, Inc.

May 6, 2010 – December 31, 2012



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Part I

Background

Authority for Audit

This report is based on an audit of the 2012 Tampa Bay Host Committee, Inc. (TBH) undertaken by the Audit Division of the Federal Election Commission (the Commission) as mandated by Section 9008.54 of Title 11 of the Code of Federal Regulations. That section states that the Commission shall conduct an examination and audit of each host committee registered under 11 CFR §9008.51.

Scope of Audit

The audit examined:

1. the receipt of contributions from prohibited sources;
2. the disclosure of contributions and other receipts;
3. the disclosure and nature of disbursements;
4. the disclosure of debts and obligations;
5. the completeness of records;
6. the consistency between reported financials and bank records; and
7. other committee operations necessary to the review.

Inventory of Committee Records

The Audit staff routinely conducts an inventory of committee records before it begins the audit fieldwork. TBH's records were materially complete and the fieldwork began thereafter.

Part II

Overview of Committee

Committee Organization

Important Dates	
• Date of Registration	May 19, 2010
• Audit Coverage	May 6, 2010 – December 31, 2012
Headquarters	Tampa, Florida
Bank Information	
• Bank Depositories	One
• Bank Accounts	Three Checking Accounts
Treasurers	
• Treasurer When Audit Was Conducted	Paul Watson
• Treasurer During Period Covered by Audit	Richard A. Beard: 5/19/10 – 10/12/12 Paul Watson: 10/12/12 – Present
Management Information	
• Attended Commission Campaign Finance Seminar	Yes
• Who Handled Accounting and Recordkeeping Tasks	Internal Consultants and Volunteers

Overview of Financial Activity (Audited Amounts)

Cash-on-hand @ May 6, 2010	\$ 0
Receipts	
○ Contributions to Defray Convention Expenses	55,610,052
○ Refunds, Rebates, Returns, Deposits Relating to Convention Expenses	796,575
○ Other Receipts	637,649
Total Receipts	\$ 57,044,256
Disbursements	
○ Convention Expenses	53,164,445
○ Other Disbursements	57,418
Total Disbursements	\$ 53,221,863
Cash-on-hand @ December 31, 2012	\$ 3,822,393

Part III

Finding

Based upon our examination of the reports and statements filed and the records presented by TBH, no material non-compliance was discovered.

In its response to the Preliminary Audit Report, TBH expressed that, in order to expedite the processing of the final audit report, it has waived the standard response period and agreed to waive an audit hearing on this matter. TBH stated that it is eager to disburse its excess funds to local charitable organizations in need.